#### COMMISSION ON STATE MANDATES

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March 30, 2006

Mr. Allan P. Burdick DMG-Maximus, Inc. 4320 Auburn Blvd., Suite 2000 Sacramento, CA 95841

And Interested Parties and Affected State Agencies (See Enclosed Mailing List)

Adopted Statement of Decision and Draft Parameters and Guidelines RE:

Fire Safety Inspections of Care Facilities, 01-TC-16 City of San Jose, Claimant Statutes 1989, Chapter 993

Health and Safety Code Sections 1531.2, 1569.149, 1596.809, 13144.5, and 13235

#### Dear Mr. Burdick:

The Commission on State Mandates adopted the attached Statement of Decision on March 29, 2006. State law provides that reimbursement, if any, is subject to Commission approval of parameters and guidelines for reimbursement of the mandated program, approval of a statewide cost estimate, a specific legislative appropriation for such purpose, a timely-filed claim for reimbursement, and subsequent review of the claim by the State Controller's Office.

Following is a description of the responsibilities of all parties and of the Commission during the parameters and guidelines phase.

- Draft Parameters and Guidelines. Pursuant to California Code of Regulations, title 2, section 1183.12 (operative September 6, 2005), the Commission staff is expediting the parameters and guidelines process by enclosing draft parameters and guidelines to assist the claimant. The proposed reimbursable activities are limited to those approved in the Statement of Decision by the Commission.
- Claimant's Review of Draft Parameters and Guidelines. Pursuant to California Code of Regulations, title 2, section 1183.12, subdivisions (b) and (c), the successful test claimant may file modifications and/or comments on the proposal with Commission staff by April 19, 2006. The claimant may also propose a reasonable reimbursement methodology pursuant to Government Code section 17518.5 and California Code of Regulations, title 2, section 1183.13. The claimant is required to submit an original and two (2) copies of written responses to the Commission and to simultaneously serve copies on the state agencies and interested parties on the mailing list.
- State Agencies and Interested Parties Comments. State agencies and interested parties may submit recommendations and comments on staff's draft proposal and the claimant's modifications and/or comments within 15 days of service. State agencies and interested parties are required to submit an original and two (2) copies of written responses or



- rebuttals to the Commission and to simultaneously serve copies on the test claimant, state agencies, and interested parties on the mailing list. The claimant and other interested parties may submit written rebuttals. (See Cal. Code Regs., tit. 2, § 1183.11.)
- Adoption of Parameters and Guidelines. After review of the draft parameters and guidelines and all comments, Commission staff will recommend the adoption of an amended, modified, or supplemented version of staff's draft parameters and guidelines. (See Cal. Code Regs., tit. 2, § 1183.14.)

Please contact Nancy Patton at (916) 323-3562 if you have any questions.

Sincerely,

PAULA HIGASHI

**Executive Director** 

Enclosures: Adopted Statement of Decision, Draft Parameters and Guidelines, and California Code of Regulations, title 2, sections 1183.12 and 1183.13 (operative September 6, 2005).

# BEFORE THE COMMISSION ON STATE MANDATES STATE OF CALIFORNIA

#### IN RE TEST CLAIM:

Health and Safety Code Sections 1531.2, 1569.149, 1596.809, 13144.5, 13235;

Statutes 1989, Chapter 993;

Filed on June 3, 2002 by the City of San Jose, Claimant.

Case No.: 01-TC-16

Fire Safety Inspections of Care Facilities

STATEMENT OF DECISION PURSUANT TO GOVERNMENT CODE SECTION 17500 ET SEQ.; CALIFORNIA CODE OF REGULATIONS, TITLE 2, DIVISION 2, CHAPTER 2.5, ARTICLE 7

(Adopted on March 29, 2006)

#### STATEMENT OF DECISION

The attached Statement of Decision of the Commission on State Mandates is hereby adopted in the above-entitled matter.

PAULA HIGASHI, Executive Director

March 30, 2006 Date

#### BEFORE THE

# COMMISSION ON STATE MANDATES STATE OF CALIFORNIA

#### IN RE TEST CLAIM:

Health and Safety Code Sections 1531.2, 1569.149, 1596.809, 13144.5, 13235;

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Fire Safety Inspections of Care Facilities

STATEMENT OF DECISION PURSUANT TO GOVERNMENT CODE SECTION 17500 ET SEQ.; CALIFORNIA CODE OF REGULATIONS, TITLE 2, DIVISION 2, CHAPTER 2.5, ARTICLE 7

(Adopted on March 29, 2006)

#### STATEMENT OF DECISION

The Commission on State Mandates ("Commission") heard and decided this test claim during a regularly scheduled hearing on March 29, 2006. Pam Stone, David Schoonover and Gregory Lake appeared on behalf of claimant City of San Jose. Susan Geanacou appeared on behalf of the Department of Finance.

The law applicable to the Commission's determination of a reimbursable state-mandated program is article XIII B, section 6 of the California Constitution, Government Code section 17500 et seq., and related case law.

The Commission adopted the staff analysis at the hearing by a vote of 6-0.

#### **Summary of Findings**

As more fully described below, the Commission finds that the test claim legislation imposes a reimbursable state-mandated program on local agencies pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514 for the increased costs in performing the following activities:

- 1. the preinspection of community care facilities, residential care facilities for the elderly, and child day care facilities;
- 2. the consultation and interpretation of applicable fire safety regulations for the prospective facility licensee; and
- 3. written notice to the prospective facility licensee of the specific fire safety regulations which shall be enforced in order to obtain the final fire clearance approval.

#### **Background**

This test claim addresses amendments to the Health and Safety Code regarding fire inspections of specified community care facilities required by the State Fire Marshal. The purpose of the test claim legislation (Stats. 1989, ch. 993) is to ensure that community care facilities, residential care facilities for the elderly, and child day care facilities, during the process of being licensed by the State Department of Social Services, receive in a timely fashion the correct fire clearance information from the local fire enforcing agency or State Fire Marshal. The test claim legislation sets forth the Legislature's intent as follows:

It is in the best interest of the California public that private citizens be encouraged to develop and operate community care facilities, residential care facilities for the elderly, and child day care facilities throughout the state in order to meet the critical demand for quality, specialized care homes.

Complex and unclear fire safety codes have frustrated the attempts of persons seeking to establish community care facilities, residential care facilities for the elderly, and child day care facilities, and have resulted in significant loss of money and resources to individuals who have received incorrect information regarding fire safety requirements from state or local officials, or no guidance at all.

Interpretation of state and local fire safety regulations varies between the more than 1,200 fire jurisdictions, and in some cases varies within the same jurisdiction, causing confusion and, in numerous instances, project cancellation.

Therefore, it is the intention of the Legislature that a prospective applicant for community care facility, residential care facility for the elderly, or child day care facility licensure shall be clearly informed in advance of making design modifications to a structure to meet specific fire safety requirements.

The Legislature further intends that it is incumbent on state and local agencies to assist persons in the interpretation of fire safety regulations for community care facilities, residential care facilities for the elderly, and child day care facilities, and that greater efforts must be made to clarify and streamline the fire safety clearance process.<sup>1</sup>

The State Fire Marshal establishes statewide fire safety standards<sup>2</sup> which are generally enforced at the local level by fire enforcing agencies established in cities and counties.<sup>3</sup> Although local fire enforcing agencies are tasked with fire-related enforcement and inspections, such as the fire clearances required for the community care facilities, the State Fire Marshal carries out these duties when there is no local fire enforcing agency or may carry them out when asked to do so by the local fire official or local governing body.<sup>4</sup> The statutory

<sup>&</sup>lt;sup>1</sup> Senate Bill 1098, Statutes of 1989, chapter 993, Section 1.

<sup>&</sup>lt;sup>2</sup> Health and Safety Code sections 13100 et seq.

<sup>&</sup>lt;sup>3</sup> Health and Safety Code sections 13800 et seq.

<sup>&</sup>lt;sup>4</sup> Health and Safety Code section 13146, subdivisions (c) and (d).

and regulatory scheme in existence prior to the test claim legislation required fire clearances for various community care facilities licensed by the Department of Social Services.<sup>5</sup>

#### <u>Test Claim Legislation</u>

The test claim legislation affected Health and Safety Code sections 1531.2, 1569.149, 1596.809, 13144.5, and 13235. These sections require the following activities:

- O Under sections 1531.2, 1569.149 and 1596.809, the Department of Social Services is required to notify prospective applicants for a community care facility, residential care facility for the elderly, or child day care facility license that a fire clearance approval from the local fire enforcing agency or the State Fire Marshal is a prerequisite to licensure.
- o Under section 13144.5, the State Fire Marshal is required to include, as part of its voluntary regular training sessions devoted to the interpretation and application of the laws and rules relating to fire and panic safety, interpretation of the regulations pertaining to community care facilities, residential care facilities for the elderly, and child day care facilities.
- O Under section 13235, subdivision (a), the local fire enforcing agency or State Fire Marshal is required to conduct a preinspection of a community care facility, residential care facility for the elderly, or child day care facility upon receipt of a request from a prospective licensee of such a facility, prior to the final fire clearance approval. The preinspection shall include:
  - consultation and interpretation of fire safety regulations;
  - notification to the prospective licensee in writing of the specific fire safety regulations which shall be enforced in order to obtain fire clearance approval.
- o Under section 13235, subdivision (b), the final fire clearance inspection shall be completed within 30 days of receipt of the request for final inspection.

Health and Safety Code section 13235, subdivision (a), specifically allows the following fees to be charged for the preinspection of a facility: 1) not more than \$50 for a facility serving 25 or fewer persons; and 2) not more than \$100 for a facility serving more than 25 persons.

#### Claimant's Position

The claimant contends that the test claim legislation constitutes a reimbursable state-mandated program within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514.

The City of San Jose, according to its test claim, is seeking reimbursement for the following activities to the extent that the allowed preinspection fees of \$50 and \$100 do not cover the activities:

- training of fire inspector to conduct inspection(s);
- travel of fire inspector to site to conduct inspection(s);

<sup>&</sup>lt;sup>5</sup> California Code of Regulations, title 22, sections 80020, 87220, and 101171.

- fire inspector conducting pre-inspection and consultation regarding interpretation and application of fire safety regulations;
- fire inspector providing written information regarding what is needed to be done in order to obtain fire clearance; and
- fire inspector conducting final fire clearance inspection.

#### **Department of Finance Position**

Department of Finance submitted comments on the test claim contending that "the test claim legislation applies to the State Fire Marshal as well as local fire agencies, and is therefore not unique to local government" and that, accordingly, the test claim should be denied.

#### State Fire Marshal

The State Fire Marshal responded to Commission staff's request for information by providing copies of materials that pertain to community care facilities, residential care facilities for the elderly and child day care facilities, used in the quarterly Statutes and Regulations training for state and local officials. The State Fire Marshal also stated: "Under [Health and Safety Code] section 13146(d), the local enforcing agency could request the [State Fire Marshal] to assume jurisdiction for these community care facilities provided that we have the resources to fulfill the request."

#### Sacramento Metropolitan Fire District

The Sacramento Metropolitan Fire District commented that the Northern California Fire Prevention Officers Association (NORCAL), Building Standards Committee in cooperation with the State Fire Marshal's Office has drafted a manual called the *California Fire Service Guide to Licensed Facilities*. The District supplied a copy of that draft to the Commission. The District also reiterated that the current costs for pre-inspections "far exceed[] the fees allowed by statute."

#### Discussion

The courts have found that article XIII B, section 6 of the California Constitution<sup>6</sup> recognizes the state constitutional restrictions on the powers of local government to tax and spend.<sup>7</sup> "Its purpose is to preclude the state from shifting financial responsibility for carrying out governmental functions to local agencies, which are 'ill equipped' to assume increased

<sup>&</sup>lt;sup>6</sup> Article XIII B, section 6, subdivision (a), (as amended by Proposition 1A in November 2004) provides: "Whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, the State shall provide a subvention of funds to reimburse that local government for the costs of the program or increased level of service, except that the Legislature may, but need not, provide a subvention of funds for the following mandates: (1) Legislative mandates requested by the local agency affected. (2) Legislation defining a new crime or changing an existing definition of a crime. (3) Legislative mandates enacted prior to January 1, 1975, or executive orders or regulations initially implementing legislation enacted prior to January 1, 1975."

<sup>&</sup>lt;sup>7</sup> Department of Finance v. Commission on State Mandates (Kern High School Dist.) (2003) 30 Cal.4th 727, 735.

financial responsibilities because of the taxing and spending limitations that articles XIII A and XIII B impose." A test claim statute or executive order may impose a reimbursable statemandated program if it orders or commands a local agency or school district to engage in an activity or task. In addition, the required activity or task must be new, constituting a "new program," or it must create a "higher level of service" over the previously required level of service. 10

The courts have defined a "program" subject to article XIII B, section 6, of the California Constitution, as one that carries out the governmental function of providing public services, or a law that imposes unique requirements on local agencies or school districts to implement a state policy, but does not apply generally to all residents and entities in the state. <sup>11</sup> To determine if the program is new or imposes a higher level of service, the test claim legislation must be compared with the legal requirements in effect immediately before the enactment of the test claim legislation. <sup>12</sup> A "higher level of service" occurs when the new "requirements were intended to provide an enhanced service to the public."

Finally, the newly required activity or increased level of service must impose costs mandated by the state. <sup>14</sup>

The Commission is vested with exclusive authority to adjudicate disputes over the existence of state-mandated programs within the meaning of article XIII B, section 6.<sup>15</sup> In making its decisions, the Commission must strictly construe article XIII B, section 6 and not apply it as an "equitable remedy to cure the perceived unfairness resulting from political decisions on funding priorities."

<sup>&</sup>lt;sup>8</sup> County of San Diego v. State of California (1997) 15 Cal.4th 68, 81.

<sup>&</sup>lt;sup>9</sup> Long Beach Unified School Dist. v. State of California (1990) 225 Cal.App.3d 155, 174.

San Diego Unified School Dist. v. Commission on State Mandates (2004) 33 Cal.4th 859,
 (San Diego Unified School Dist.); Lucia Mar Unified School District v. Honig (1988)
 Cal.3d 830, 835-836 (Lucia Mar).

<sup>&</sup>lt;sup>11</sup> San Diego Unified School Dist., supra, 33 Cal.4th 859, 874, (reaffirming the test set out in County of Los Angeles v. State of California (1987) 43 Cal.3d 46, 56; Lucia Mar, supra, 44 Cal.3d 830, 835.).

 $<sup>^{12}</sup>$  San Diego Unified School Dist., supra, 33 Cal.4th 859, 878; Lucia Mar, supra, 44 Cal.3d 830, 835.

<sup>&</sup>lt;sup>13</sup> San Diego Unified School Dist., supra, 33 Cal.4th 859, 878.

<sup>&</sup>lt;sup>14</sup> County of Fresno v. State of California (1991) 53 Cal.3d 482, 487; County of Sonoma v. Commission on State Mandates (2000) 84 Cal.App.4th 1265, 1284 (County of Sonoma); Government Code sections 17514 and 17556.

<sup>&</sup>lt;sup>15</sup> Kinlaw v. State of California (1991) 54 Cal.3d 326, 331-334; Government Code sections 17551, 17552.

<sup>&</sup>lt;sup>16</sup> County of Sonoma, supra, 84 Cal.App.4th 1265, 1280, citing City of San Jose v. State of California (1996) 45 Cal.App.4th 1802, 1817.

This test claim presents the following issues:

- o Is the test claim legislation subject to article XIII B, section 6 of the California Constitution?
- o Does the test claim legislation impose a "new program" or "higher level of service" on local agencies within the meaning of article XIII B, section 6 of the California Constitution?
- O Does the test claim legislation impose "costs mandated by the state" within the meaning of article XIII B, section 6 of the California Constitution?

## Issue 1: Is the test claim legislation subject to article XIII B, Section 6 of the California Constitution?

#### Mandatory or Discretionary Activities?

In order for the test claim legislation to impose a reimbursable state-mandated program under article XIII B, section 6, the statutory language must mandate an activity or task upon local governmental agencies. If the statutory language does not mandate or require local agencies to perform a task, then article XIII B, section 6 is not triggered. In such a case, compliance with the test claim statute is within the discretion of the local agency.

Under the test claim legislation, the local fire enforcing agency or State Fire Marshal, whichever has primary jurisdiction, is required to: 1) conduct a preinspection of the facility prior to the final fire clearance approval; 2) provide consultation, interpretation and written notice to the facility applicant regarding applicable fire safety regulations; <sup>17</sup> and 3) complete the final fire clearance inspection within 30 days of a request to do so. <sup>18</sup> However, Health and Safety Code section 13146, subdivision (d), gives the State Fire Marshal authority to enforce building standards and regulations on behalf of the local fire enforcing agency upon request of the chief fire official or local governing body. According to information provided by the State Fire Marshal: "Under [Health and Safety Code] Section 13146(d), the local enforcing agency could request the [State Fire Marshal] to assume jurisdiction for these community care facilities provided that we have the resources to fulfill the request." <sup>19</sup>

Because the local fire enforcing agency or local governing body could ask the State Fire Marshal to assume the enforcement duties pursuant to Section 13146, subdivision (d), the issue is raised as to whether those duties could be considered a discretionary activity by the local agency. Based on the following analysis, the enforcement duties are not discretionary.

Providing fire protection services by enforcing building standards is legally compelled by the statutory scheme under which the test claim legislation was enacted. The Health and Safety Code requires the State Fire Marshal or the chief of any city or county fire department or

<sup>&</sup>lt;sup>17</sup> Health and Safety Code section 13235, subdivision (a).

<sup>&</sup>lt;sup>18</sup> Health and Safety Code section 13235, subdivision (b).

<sup>&</sup>lt;sup>19</sup> Letter from Ruben Grijalva, State Fire Marshal, to Paula Higashi, Executive Director, Commission on State Mandates, December 27, 2005.

district providing fire services to enforce building standards and other regulations that have been adopted by the State Fire Marshal.<sup>20</sup> In addition, local fire enforcing agencies are required to enforce fire-related building standards for buildings used for human habitation.<sup>21</sup>

The Health and Safety Code, in section 13146, further delineates the authorities and requirements for enforcing State Fire Marshal building standards and other regulations. Under subdivision (b), the local fire enforcing agency "shall enforce within its jurisdiction the building standards and other regulations of the State Fire Marshal …" Under subdivision (c), the State Fire Marshal "shall have authority to enforce the building standards and other regulations … in areas outside of corporate cities and districts providing fire protection services."

The statutory scheme also specifies that enforcement of fire regulations and fire-related building standards "shall, so far as practicable, be carried out at the local level by persons who are regular full-time members of a regularly organized fire department of a city, county, or district providing fire protection services ..."<sup>22</sup> Furthermore, as noted above, section 13146, subdivision (d), gives the State Fire Marshal the authority to assume the fire enforcing duties where a local fire enforcing agency exists, but only upon the *request* of the chief fire official or the governing body. The State Fire Marshal has stated that jurisdiction over those duties could be assumed if the State Fire Marshal has "resources to fulfill the request."

Thus while the fire enforcement duties might be considered discretionary for the State Fire Marshal where a local fire enforcing agency is established, the duties could not be considered discretionary for that local fire enforcing agency, since providing the services is legally compelled by the statutory scheme and would be required of the local agency if the State Fire Marshal could not provide the services. It follows that the specific requirements in the test claim legislation — i.e., the preinspection, the consultation, interpretation and written notice of fire safety regulations, and the 30-day requirement for completion of the final inspection — are not discretionary for the local fire enforcing agency.

<sup>&</sup>lt;sup>20</sup> Health and Safety Code section 13145: "The State Fire Marshal, the chief of any city or county fire department or district providing fire protection services, and their authorized representatives, shall enforce in their respective areas building standards relating to fire and panic safety adopted by the State Fire Marshal and published in the State Building Standards Code and other regulations that have been formally adopted by the State Fire Marshal for the prevention of fire or for the protection of life and property against fire or panic."

Health and Safety Code section 17962: "The chief of any city or any county fire department or district providing fire protection services, and their authorized representatives, shall enforce in their respective areas all those provisions of this part, the building standards published in the State Building Standards Code relating to fire and panic safety, and those rules and regulations promulgated pursuant to the provisions of this part pertaining to fire prevention, fire protection, the control of the spread of fire, and safety from fire or panic."

<sup>&</sup>lt;sup>22</sup> Health and Safety Code section 13146.5.

#### Does the Test Claim Legislation Constitute a "Program?

The test claim legislation must also constitute a "program" in order to be subject to article XIII B, section 6 of the California Constitution. The Department of Finance argues that the test claim legislation is not a program subject to reimbursement under article XIII B, section 6, because the test claim legislation is not unique to local government since the same requirements are imposed on the state, through the State Fire Marshal. The Commission disagrees with this position for the reasons cited below.

The relevant tests regarding whether this test claim legislation constitutes a "program" within the meaning of article XIII B, section 6 are set forth in case law. The California Supreme Court, in the case of *County of Los Angeles v. State of California* (1987) 43 Cal.3d 46, defined the word "program" within the meaning of article XIII B, section 6 as a program that carries out the governmental function of providing a service to the public, *or* laws which, to implement a state policy, impose unique requirements on local governments and do not apply generally to all residents and entities in the state. <sup>23</sup> (Emphasis added.) Only one of these findings is necessary to trigger the applicability of article XIII B, section 6.

The County of Los Angeles case also found that the term "program" as it is used in article XIII B, section 6, "was [intended] to require reimbursement to local agencies for the costs involved in carrying out functions peculiar to government, not for expenses incurred by local agencies as an incidental impact of laws that apply generally to all state residents and entities." (Emphasis added.)<sup>24</sup> In this case, the court found that no reimbursement was required for the increase in workers' compensation and unemployment insurance benefits applied to all employees of private and public businesses.<sup>25</sup>

Here, on the other hand, the requirements imposed by the test claim statute are carried out by state and local fire officials. Although both state and local officials perform the requirements imposed by the test claim legislation in conducting a prelicensure inspection for specified care facilities, these requirements do not apply "generally to all residents and entities in the state," as did the requirements for workers' compensation and unemployment insurance benefits in the *County of Los Angeles* case.

In addition, the Court of Appeal, Third Appellate District, in *Carmel Valley Fire Protection District v. State of California* (1987) 190 Cal.App3d 521, has recognized that fire protection is a peculiarly governmental function, and that, along with police protection, fire protection is one of the "most essential and basic functions of local government." In this respect, the prelicensure fire inspections provide basic fire protection services for the public.

<sup>&</sup>lt;sup>23</sup> County of Los Angeles v. State of California (1987) 43 Cal.3d 46, 56 (County of Los Angeles).

<sup>&</sup>lt;sup>24</sup> County of Los Angeles, supra, 43 Cal.3d 46, 56-57.

<sup>&</sup>lt;sup>25</sup> County of Los Angeles, supra, 43 Cal.3d 46, 57-58.

<sup>&</sup>lt;sup>26</sup> Carmel Valley Fire Protection District v. State of California (1987) 190 Cal.App.3d 521, 537 (Carmel Valley).

The Commission therefore finds that the test claim legislation carries out the governmental function of providing a service to the public and therefore constitutes a "program" within the meaning of article XIII B, section 6 of the California Constitution.

Issue 2: Does the test claim legislation impose a new program or higher level of service on local agencies within the meaning of article XIII B, section 6 of the California Constitution?

To determine if the program is new or imposes a higher level of service, the test claim legislation must be compared with the legal requirements in effect immediately before the enactment of the test claim legislation.<sup>27</sup>

The claimant is requesting reimbursement for the entire fire clearance process, including:

- training of fire inspector to conduct inspection(s);
- travel of fire inspector to site to conduct inspection(s);
- fire inspector conducting pre-inspection and consultation regarding interpretation and application of fire safety regulations;
- fire inspector providing written information regarding what is needed to be done in order to obtain fire clearance; and
- fire inspector conducting final fire clearance inspection.

#### Pre-existing Fire Clearance Process

Prior to the test claim legislation, the Health and Safety Code required each of the three types of care facilities subject to the test claim to be licensed, <sup>28</sup> and the California Code of Regulations also required fire clearances for the facilities:

- California Code of Regulations, title 22, section 80020 regarding community care facilities: "[a]ll facilities shall secure and maintain a fire clearance approved by the city or county fire department, the district providing fire protection services, or the State Fire Marshal."
- California Code of Regulations, title 22, section 87220 regarding residential care facilities for the elderly: "[a]ll facilities shall maintain a fire clearance approved by the city or county fire department, the district providing fire protection services, or the State Fire Marshal."
- California Code of Regulations, title 22, section 101171 regarding child day care
  facilities: "[a]ll child care centers shall secure and maintain a fire clearance approved
  by the city or county fire department, the district providing fire protection services, or
  the State Fire Marshal."

<sup>&</sup>lt;sup>27</sup> San Diego Unified School Dist., supra, 33 Cal.4th 859, 878; Lucia Mar, supra, 44 Cal.3d 830, 835.

<sup>&</sup>lt;sup>28</sup> Health and Safety Code sections 1508, subdivision (a), 1569.10 and 1596.80.

The Enrolled Bill Report submitted by the State Fire Marshal<sup>29</sup> provided a summary of the procedures in existence at the time the test claim legislation was enacted. The Report stated that upon application to the State Department of Social Services for a license, the Department would send a request for a fire safety inspection to the appropriate fire authority, either the local fire enforcing agency or the State Fire Marshal. Upon receipt of the request, the local fire agency or State Fire Marshal would then conduct an inspection of the facility and issue the fire clearance approval. It is apparent from the statements of the State Fire Marshal that at least one inspection of the facility was already required in order to issue the fire clearance.

#### New Requirements under Test Claim Legislation

The test claim legislation requires the local fire enforcing agency to "conduct a preinspection of the facility prior to the final fire clearance approval." (Emphasis added.)<sup>30</sup> The fire enforcing agency is also required, at the time of the preinspection, to "provide consultation and interpretation of fire safety regulations,"<sup>31</sup> "notify the prospective licensee of the facility in writing of the specific fire safety regulations which shall be enforced in order to obtain fire clearance approval,"<sup>32</sup> and "complete the final fire clearance inspection ... within 30 days of receipt of the request for final inspection, or as of the date the prospective facility requests the final prelicensure inspection ..., whichever is later."<sup>33</sup>

Since the fire clearance approval requirement, which also required an inspection of the facility, was in effect prior to passage of the test claim legislation, the finding of a new program or higher level of service must be limited to activities relating to the *preinspection*. Any inspection activities related to the pre-existing final fire clearance approval requirements would not be considered a new program or higher level of service.

Therefore, the Commission finds that with regard to the preinspection only, the following activities fall within the meaning of "new program" or "higher level of service" under article XIII B, section 6:

- 1. the preinspection;
- 2. the consultation and interpretation of applicable fire safety regulations; and
- 3. written notice to the prospective licensee of the specific fire safety regulations which shall be enforced in order to obtain the final fire clearance approval.

The new requirement to complete the final fire clearance inspection for a facility within 30 days of receipt of the request does not mandate a new activity, since the final fire clearance inspection and approval requirement was already in existence. Instead it merely adds a timeline under which the activity must be completed. Therefore, the Commission finds that

<sup>&</sup>lt;sup>29</sup> State Fire Marshal Enrolled Bill Report, Senate Bill 1098, September 18, 1989.

<sup>&</sup>lt;sup>30</sup> Health and Safety Code section 13235, subdivision (a).

<sup>31</sup> Ibid.

<sup>32</sup> Ibid.

<sup>&</sup>lt;sup>33</sup> Health and Safety Code section 13235, subdivision (b).

the 30-day requirement does not fall within the meaning of "new program" or "higher level of service" under article XIII B, section 6.

The test claim legislation also addressed training related to interpretation of the regulations for the subject care facilities. Health and Safety Code section 13144.5 was amended to read:

The State Fire Marshal shall prepare and conduct *voluntary* regular training sessions devoted to the interpretation and application of the laws and rules and regulations in Title 19 and Title 24 of the California Code of Regulations relating to fire and panic safety. The training sessions shall include, but need not be limited to, interpretation of the regulations pertaining to community care facilities licensed pursuant to Section 1508, to residential care facilities for the elderly licensed pursuant to Section 1569.10, and to child day care facilities licensed pursuant to Section 1596.80, in order to coordinate a consistent interpretation and application of the regulations among local fire enforcement agencies. (Emphasis added.)

The pre-existing statute required the State Fire Marshal to prepare and conduct *voluntary* training related to fire and panic safety regulations. The new text in the test claim legislation simply added a requirement that the State Fire Marshal's training curriculum include interpretation of regulations relating to the subject facilities. Although the State Fire Marshal is required to provide such training, attendance is "voluntary" on the part of any local fire enforcing agency staff and no new mandate is established for the local fire enforcing agency as a result of the test claim legislation. Therefore, the Commission finds that the training activities do not constitute a local mandate under article XIII B, section 6. The Commission may, however, consider claimant's request for reimbursement for training at the Parameters and Guidelines stage to determine whether training is a reasonable method of complying with the mandate pursuant to California Code of Regulations, title 2, section 1183.1, subdivision (a)(4).

# Issue 3: Does the test claim legislation impose "costs mandated by the state" within the meaning of article XIII B, section 6 of the California Constitution?

In order for the mandated activities to impose a reimbursable, state-mandated program under article XIII B, section 6, two additional elements must be satisfied. First, the activities must impose costs mandated by the state pursuant to Government Code section 17514. Second, the statutory exceptions to reimbursement listed in Government Code section 17556 cannot apply.

Government Code section 17514 defines "costs mandated by the state" as any increased cost a local agency is required to incur as a result of a statute that mandates a new program or higher level of service.

#### The test claim states:

The fee authorization contained in the test claim legislation has not been increased in the 12 years since the passage of the subject legislation. At the present time an average of 3 hours is needed to complete the total fire clearance process for each facility. Some facilities, depending on the number of visits necessary to obtain the fire clearance, require up to 4 hours. Other facilities may only require 2 hours. Included in this process are travel time to the facility, time spent at the facility, telephone time, research of related codes, and data entry. Personnel turnover,

which necessitates the training of new fire inspectors, is also part of the equation. The San Jose Fire Department Bureau of Fire prevention is mandated by the City to be 100% cost recovery. The hourly rate at which our department charges in order to achieve full cost recovery is \$110. The present \$50 fee allowance for a preinspection does not quite cover the cost of one-half hour.

Thus, there is evidence in the record, signed under penalty of perjury, that there are increased costs as a result of the test claim legislation.

Government Code section 17556 lists several exceptions which preclude the Commission from finding costs mandated by the state. Because some fee authority exists for this program, section 17556, subdivision (d) — which requires the commission to deny the claim where a local agency has "the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service" — must be analyzed to determine whether it is applicable.

Government Code section 66014 allows local entities to charge fees to recover costs for local zoning and permitting activities, including building inspections, which "may not exceed the estimated reasonable cost of providing the service for which the fee is charged ..."<sup>34</sup> Health and Safety Code section 13146, subdivision (e), similarly addresses fee recovery for fire-related enforcement and inspections to "the reasonable cost of providing the service for which the fee is charged, pursuant to Section 66014 of the Government Code."

The test claim legislation, however, states that fees charged for the preinspection cannot exceed: 1) \$50 for a facility with a capacity to serve 25 or fewer persons; and 2) \$100 for a facility with a capacity to serve 26 or more persons. A further potential limitation on fees that can be charged is located in the Community Care Facilities Act (Health and Safety Code sections 1500 et seq.), applicable to all three types of facilities. Section 1566.2 states that "... [n]either the State Fire Marshal nor any local public entity shall charge any fee for enforcing fire inspection regulations pursuant to state law or regulation or local ordinance, with respect to residential facilities which serve six or fewer persons."

The question then is whether the local fee authority found in Government Code section 66014 is sufficient to recover preinspection costs in light of the two potentially fee-limiting provisions. The applicable rule of statutory construction states that when a general provision of law cannot be reconciled with a more specific provision, the general provision is controlled by the special provision and the special provision is treated as an exception. Here, the two fee-limiting provisions found in the test claim legislation and the Community Care Facilities Act are exceptions to the more general local fee authority. Accordingly, fee recovery for the preinspection activity is limited to: 1) \$0 for facilities which serve six or fewer persons; 2) \$50 for facilities with a capacity to serve seven to 25 persons; and 3) \$100 for facilities with a capacity to serve 26 or more persons.

<sup>&</sup>lt;sup>34</sup> Government Code section 66014, subdivision (a).

<sup>&</sup>lt;sup>35</sup> Health and Safety Code section 13235, subdivision (a).

<sup>&</sup>lt;sup>36</sup> People v. Superior Court (2002) 28 Cal. 4<sup>th</sup> 798; Garcia v. McCutchen (1997) 16 Cal. 4<sup>th</sup> 469.

Therefore, the local agency does not have the authority to levy service charges, fees, or assessments sufficient to pay for the preinspections, and Government Code section 17556, subdivision (d), does not apply to deny the claim. However, Health and Safety Code section 13235, subdivision (a), will be identified as offsetting revenue in the Parameters and Guidelines, which must be deducted from the total costs claimed.

#### Conclusion

The Commission concludes that the test claim legislation imposes a reimbursable state-mandated program on local agencies pursuant to article XIII B, section 6 of the California Constitution and Government Code section 17514 for the increased costs in performing the following activities:

- 1. the preinspection of community care facilities, residential care facilities for the elderly, and child day care facilities;
- 2. the consultation and interpretation of applicable fire safety regulations for the prospective facility licensee; and
- 3. written notice to the prospective facility licensee of the specific fire safety regulations which shall be enforced in order to obtain the final fire clearance approval.

The reimbursement period for this test claim begins July 1, 2000.

Finally, any statutory provisions that were pled in this test claim that are not identified above do not constitute a reimbursable state-mandated program.

#### DRAFT PARAMETERS AND GUIDELINES

Health and Safety Code Section 13235, Subdivision (a)
Statutes 1989, Chapter 993
Fire Safety Inspections of Care Facilities, 01-TC-16
City of San Jose, Claimant

#### I. SUMMARY OF THE MANDATE

The test claim legislation amended the Health and Safety Code regarding fire inspections of specified community care facilities required by the State Fire Marshal. The purpose of the test claim legislation (Stats. 1989, ch. 993) is to ensure that community care facilities, residential care facilities for the elderly, and child day care facilities, during the process of being licensed by the State Department of Social Services, receive in a timely fashion the correct fire clearance information from the local fire enforcing agency or State Fire Marshal.

#### II. ELÌGIBLE CLAIMANTS

Any city, county, and city and county that incurs increased costs as a result of this reimbursable state-mandated program is eligible to claim reimbursement of those costs.

#### III. PERIOD OF REIMBURSEMENT

Government Code section 17557, subdivision (c), as amended by Statutes 1998, chapter 681, states that a test claim shall be submitted on or before June 30 following a given fiscal year to establish eligibility for that fiscal year. The City of San Jose filed the test claim on June 3, 2002. Therefore, costs incurred on or after July 1, 2000, in compliance with Statutes 1989, chapter 993 are eligible for reimbursement.

Actual costs for one fiscal year shall be included in each claim. Estimated costs of the subsequent year may be included on the same claim, if applicable. Pursuant to Government Code section 17561, subdivision (d)(1)(A), all claims for reimbursement of initial fiscal year costs shall be submitted to the State Controller within 120 days of the issuance date for the claiming instructions.

If the total costs for a given fiscal year do not exceed \$1,000, no reimbursement shall be allowed except as otherwise allowed by Government Code section 17564.

#### IV. REIMBURSABLE ACTIVITIES

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed. Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records or time logs, sign-in sheets, invoices, and receipts.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and

declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

The claimant is only allowed to claim and be reimbursed for increased costs for reimbursable activities identified below. Increased cost is limited to the cost of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities related to the preinspection are reimbursable:

- 1. Conduct preinspections of community care facilities, residential care facilities for the elderly, and child day care facilities upon receipt of a request from a prospective licensee of such a facility, before the final fire clearance approval.
- 2. Provide consultation and interpretation of applicable fire safety regulations for the prospective facility licensee.
- 3. Providing a written notice to the prospective facility licensee of the specific fire safety regulations which shall be enforced in order to obtain the final fire clearance approval.

#### V. CLAIM PREPARATION AND SUBMISSION

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

#### A. Direct Cost Reporting

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

#### 1. Salaries and Benefits

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

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#### 2. Materials and Supplies

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

#### 3. Contracted Services

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services

that were performed during the period covered by the reimbursement claim. If the contract services are also used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

#### 4. Fixed Assets and Equipment

Report the purchase price paid for fixed assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the fixed asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

#### B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect

- costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
- 2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.

#### VI. RECORD RETENTION

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter<sup>1</sup> is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

#### VII. OFFSETTING SAVINGS AND REIMBURSEMENTS

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, service fees collected, federal funds, and other state funds, shall be identified and deducted from this claim.

Pursuant to Health and Safety Code section 13235, subdivision (a), fee recovery for the preinspection activity is limited to: 1) \$0 for facilities which serve six or fewer persons; 2) \$50 for facilities with a capacity to serve seven to 25 persons; and 3) \$100 for facilities with a capacity to serve 26 or more persons.

#### VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

<sup>&</sup>lt;sup>1</sup> This refers to Title 2, division 4, part 7, chapter 4 of the Government Code.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

#### IX. REMEDIES BEFORE THE COMMISSION

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

#### X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

tions concerning the proposed parameters and guidelines within fifteen (15) days of service.

- (e) State agencies and interested parties shall submit an original and two (2) copies of written responses to commission staff and shall simultaneously serve a copy on the test claimant, other affected state agencies, and other interested parties who are on the mailing list described in Section 1181.2 of these regulations.
- (f) Within fifteen (15) days of service of the comments and recommendations prepared by state agencies and interested parties, the claimant and other interested parties may submit an original and two (2) copies of written rebuttals to commission staff, and shall simultaneously serve a copy on the other parties and interested parties who are on the mailing list described in Section 1181.2 of these regulations.

NOTE: Authority cited: Sections 17527(g) and 17553(a), Government Code. Reference: Sections 17530, 17553(a) and 17557, Government Code.

#### HISTORY

- New section filed 7-23-96; operative 7-23-96. Submitted to OAL for printing only (Register 96, No. 30).
- Amendment of subsections (b)-(d) filed 9-13-99; operative 9-13-99. Submitted to OAL for printing only pursuant to Government Code section 17527 (Register 99, No. 38).
- Amendment of section heading, new subsections (a) and (b), subsection relettering and amendment of newly designated subsections (c)-(f) filed 9-6-2005; operative 9-6-2005. Exempt from OAL review and submitted to OAL for printing only pursuant to Government Code section 17527(g) (Register 2005, No. 36).

### § 1183.12. Alternate Process for Proposed Parameters and Guidelines.

- (a) Within ten (10) days after adoption of a statement of decision on a test claim, commission staff may expedite the parameters and guidelines process by drafting proposed parameters and guidelines to assist the claimant. The draft proposed parameters and guidelines shall be served on the parties and interested parties on the mailing list described in Section 1181.2 of these regulations.
- (b) In fieu of filing an original proposal pursuant to Government Code section 17557, subdivision (a), the successful test claimant may file modifications and/or comments on staff's draft proposal with commission staff. The claimant shall review all sections and if necessary may:

(1) Clarify the reimbursable activities identified by commission staff, and provide an explanation of why the clarification is necessary.

- (2) Include additional descriptions of the most reasonable methods of complying with the mandate. "The most reasonable methods of complying with the mandate" are those methods not specified in statute or executive order that are necessary to carry out the mandated program. For each additional method proposed, the test claimant shall provide an explanation of why it is reasonably necessary.
- (3) Indicate whether the commission should consider a reasonable reimbursement methodology for this program; and the basis for the recommendation; and the basis for the recom-
- (4) Identify offsetting revenues and reimbursements (if applicable), including:
  - i. Dedicated state and federal funds appropriated for this program.
  - ii. Non-local agency funds dedicated for this program.
  - iii. Local agency's general purpose funds for this program.
  - iv. Fee authority to offset partial costs of this program.
- (5) Identify offsetting savings (if applicable), including any offsetting savings in the same program experienced because of the same statute(s) or executive order(s) found to contain a mandate.
- (c) The successful test claimant shall file its proposed modifications and/or comments within twenty (20) days of receipt of commission staff's draft proposal.
- (d) The opportunity for state agencies and interested parties to comment on staff's draft proposal and the claimant's modifications and/or comments, and the claimant and interested parties' opportunity for rebuttal will be conducted according to the timelines under Section 1181.11 of these regulations.

NOTE: Authority cited: Sections 17527(g), 17530 and 17553(a), Government Code, Reference: Sections 17553(a), 17556(e), 17557 and 17564, Government Code

#### HISTORY

 Renumbering of former section 1183.12 to section 1183.14 and new section 1183.12 filed 9-6-2005; operative 9-6-2005. Exempt from OAL review and submitted to OAL for printing only pursuant to Government Code section 17527(g) (Register 2005, No. 36).

#### § 1183.13. Reasonable Reimbursement Methodology.

- (a) If the claimant indicates in the proposed parameters and guidelines or comments that a reasonable reimbursable methodology, as defined in Government Code section 17.518.5, should be considered; or if the Department of Finance, Office of the State Controller, any affected state agency, claimant, or interested party proposes consideration of a reasonable reimbursement methodology, commission staff shall immediately schedule an informal conference to discuss the methodology.
- (b) Proposed reasonable reinbursement methodologies, as described in Government Code section 1 318.5, shall include any documentation or assumption relied upon to evelop the proposed methodology. Proposals shall be submitted to the commission within sixty (60) days following the informal conference
- (c) Claimants, state agencies and interested parties shall submit an original and two (2) copies of a proposed reasonable reimbursement methodology, and shall simultaneously serve a copy on the other parties and interested parties on the mailing list described in Section 1181.2 of these regulations.
- (d) Commission staff shall notify all recipients that they shall have the opportunity to review and provide written comments or recommendations concerning the proposed reasonable reimbursement methodology within fifteen (15) days of service.

(e) Claimants, state agencies, and interested parties shall submit an original and two (2) copies of written responses to commission staff and shall simultaneously serve a copy or the other parties and interested parties on the mailing list described in Section 1181.2 of these regulations.

(f) Within fifteen (15) days of service of the written comments prepared by other parties and interested parties, the party that proposed the reasonable reimbursement methodolo by may submit an original and two (2) copies of written rebuttals to con mission staff, and shall simultaneously serve a copy on the other parties and interested parties on the mailing list described in Section 1181, of these regulations.

NOTE: Authority cited: Sections 17527(g) a d 17553(a), Government Code. Reference: Sections 17518.5 and 17557, Government Code.

HISTORY

1. New section filed 9-6-2005; operative 9- -2005. Exempt from OAL review and submitted to OAL for printing only pursuant to Government Code section 17527(g) (Register 2005, No. 36).

#### § 1183.14. Adoption of Parameters and Guidelines:

- (a) After review of the proposed parameters and guidelines, written comments, recommendations, and rebutta's submitted by state agencies and interested parties, commission staff shall recommend the adoption of the claimant's proposed parameters and guidelines or adoption of an amended, modified, or supplemented version of the claimant's proposed parameters and guidelines. Commission staff's recommendation may include a reasonable reimbursement methodology.
- (b) A draft of commission staff's recommendation may be presented to the parties and interested parties at a prehearing or informal conference before presentation to the commission.
- (c) The commission shall conduct at least on e (1) informational hearing on parameters and guidelines before adoption pursuant to Government Code section 17557.
- (d) Within ten (10) days of the adoption of parameters and guidelines, the executive director shall send copies to the Office of the State Controller, and to parties and interested parties who are on the mailing list described in Section 1-181.2 of these regulations.

NOTE: Authority cited: Sections 17527(g) and 17553(a), Government Code. Reference cited: Sections 17557 and 17553(a), Governmen Code.

HISTORY

1. New section filed 7-23-96; operative 7-23-96. Submitted to OAL for printing only (Register 96, No. 30).

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#### Commission on State Mandates

Original List Date:

6/7/2002

Mailing Information: Other

Last Updated: List Print Date: 3/1/2006

03/30/2006

Mailing List

Claim Number:

01-TC-16

Issue:

Fire Safety Inspections of Care Facilities

#### TO ALL PARTIES AND INTERESTED PARTIES:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.2.)

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David Wellhouse & Associates, Inc.	Tel:	(916) 368-9244	
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	Claim	nant	
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Mr. J. Bradley Burgess			
Public Resource Management Group	Tel:	(916) 677-4233	
1380 Lead Hill Boulevard, Suite #106 Roseville, CA 95661	Fax:	(916) 677-2283	
Ms. Annette Chinn	<del></del>		<del> </del>
Cost Recovery Systems, Inc.	Tel;	(916) 939-7901	
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